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S U M M A R Y

- P. 2 REGIONAL AND SOCIAL AID: Fresh efforts to reduce disparities ...
so that a maximum number of Europeans can take advantage of "1992".

RESEARCH: ECU 5,700mn. for tomorrow's technologies
The Twelve adopt the Community programme for 1990-1994.

- P. 3 ENVIRONMENT: "Clean" lorries for the motorways of the single market
The European Commission wants to reduce emissions from heavy lorries gradually by 1996.

- P. 4 REGIONS: ECU 2,600mn. for rural development areas
Community aid for nine Community countries.

- P. 5 CREDIT CARDS: Consumers are poorly protected
The European Commission wants to remedy this state of affairs.

- P. 6 ENVIRONMENT: Greener industries
The 1990 European Better Environment Awards for industry.

- P. 7 FIGHT AGAINST FRAUD: The European Commission offers to help the Twelve ...
... by financing part of the checks during five years.

- P. 8 AIR TRANSPORT: New airlines face a threat
The European Commission wants added powers to fight unfair competition.

PUBLICATIONS: The EC enters the world of comic books
"My country - Europe" is the first comic book dealing with the Community.

- P. 9 SOCIETY: Household expenditure on accommodation in six EC countries in 1985
More than half the households were in accommodation they owned.

Mailed from: Brussels X

REGIONAL AND SOCIAL AID: Fresh efforts to reduce disparities ...
... so that a maximum number of Europeans can take advantage of "1992".

Since the last two years the 12-nation European Community has envisaged the expenditure of billions of ECUs until 1993 in order to reduce the disparities between regions and social categories, thus enabling a maximum number of Europeans to benefit from the emerging single market. Most of this aid consists of contributions from the Community budget to regional or social action programmes drawn up by the national authorities. But the Twelve had also set aside ECU 3,800mn.* for wide-ranging activities agreed on by the European Commission.

The Commission launched a first set of activities at the end of 1989, involving an outlay of ECU 2,100mn. It was aimed mainly at declining coal mining regions and environmental protection along the Mediterranean coast. Early in May the Commission approved the priority axes of a second set of measures, which will account for the remaining ECU 1,700mn. over the period 1990-1993. This sum will be divided among three major forms of aid, aimed at (1) equipment and support for small and medium-sized enterprises in the less well-off regions; (2) vocational training for the less advantaged regions and categories and (3) the integration of rural areas in the single European market (see p. 4).

RESEARCH: ECU 5,700mn.* for tomorrow's technologies

The Twelve adopt the Community programme for 1990-1994.

The 12-nation European Community is to spend ECU 5,700mn. over the next five years financing scientific research in fields ranging from information technologies to energy and including biotechnology. The fact is the framework programme of Community research, adopted definitively by the EC Council of Ministers on April 23, covers a wide range of subjects.

It includes 15 specialized programmes that the Twelve will adopt singly by majority vote. The new framework programme puts greater emphasis on environmental protection and European technical standards than its predecessors. What is more, it will enable young researchers from the 12-nation Community to work in another Member State than their own.

* 1 ECU = UK£0.74 or IR£0.76

ENVIRONMENT: "Clean" lorries for the motorways of the single market

The European Commission wants to reduce emissions from heavy lorries gradually by 1996.

The European Commission, which has pushed environmental issues to the foreground, has put forward a two-stage strategy to cut environmental pollution by heavy lorries by 60%.

The European Community's environment commissioner, Carlo Ripa di Meana, noted that lorries produce 10 times as much carbon dioxide as rail or river transport; road transport in fact is responsible for 90% of carbon dioxide emissions, 50% of all emissions of hydrocarbons and 50% of nitrogen oxide emissions. In addition, 60% of all freight is carried by road. The need for immediate action is all the greater, according to Mr Ripa di Meana, as this figure is expected to rise by some 90% in the coming years.

The Commission has proposed that emission standards throughout the 12-nation EC for diesel-powered lorries be aligned, as from July 1992, with the much stricter standards in force in Austria and Switzerland. This should make it easier for lorries registered in the Community to cross Austria, which has banned heavy-duty lorries from its roads, along with night driving. This harmonization of standards within the Community would be binding and not optional, as at present, and should lead to a 60% reduction in emissions from heavy lorries.

Details of the second stage, envisaged for October 1996, have yet to be settled. But it is already accepted that Community standards will be as stringent as those recently adopted by the United States - if not more so. The European Commission has undertaken, at the same time, to create the stable regulatory framework needed by the European industry to develop clean technologies and plan its medium-term investments.

Complementary proposals, aimed at improving fuel quality and reducing its sulphur content, and at reducing noise pollution, will be presented by the Commission as from this autumn.

As a result, the juggernauts which ply the Community's highways should be both clean and noiseless by the year 2000.

REGIONS: ECU 2,600mn. for rural development areas

Community aid for nine Community countries.

Between now and 1993 a number of rural development regions in nine European Community countries - the Twelve less Ireland, Portugal and Greece - will receive a total of ECU 2,600mn.* in aid from the Community budget. With this sum the three European structural funds for regional, social and agricultural development will help national and regional authorities carry out the 44 regional development programmes, whose priority axes were adopted by the European Commission on May 3.

The regeneration of the regions in question represents one of the five major aims of the action undertaken by the European Commission, since last year, to reduce social and regional disparities within the emerging single market, and to enable regions and social groupings that are handicapped in any way to prepare themselves for "1992". If Ireland, Greece and Portugal have been excluded from these programmes, it is because they are fully covered by another Community activity, one reserved for regions whose development has been delayed.

The rural development regions have been clearly defined. In the United Kingdom they include the Highlands and Islands; Dumfries and Galloway; Dyfed Gwynedd and Powys and Cornwall and Devon. The objectives of the priority axes are designed to:

- stimulate the diversification of agricultural activities;
- favour economic diversification and development;
- fight against geographic isolation through improved communications;
- reinforce environmental protection in both touristic and industrial areas, and
- organize training in development activities.

Of the ECU 2,600mn. set aside for the rural development regions, France will receive the lion's share - ECU 960mn. - followed by Germany (ECU 525mn.), Italy (ECU 385mn.) and the United Kingdom (ECU 350mn.). The Netherlands have been allocated ECU 44mn., Belgium ECU 32.5mn., Denmark ECU 23mn. and Luxembourg ECU 2.5mn.

* 1 ECU = UK£0.74 or IR£0.76

CREDIT CARDS: Consumers are poorly protected

The European Commission wants to remedy this state of affairs.

Credit card users in the 12-nation European Community are not adequately protected against losses due to the theft of their cards or mistakes made by the banks, according to the Bureau of European Consumers' Unions (BEUC). A BEUC study claims that the banks and other establishments which issue credit cards do not grant their customers the protection they are entitled to under an EC recommendation of 1988. Nor does the good conduct code, drafted by the banks recently, comply with the guidelines laid down in this document. What is more, four EC countries (Greece, Italy, Portugal and Spain) simply disregard the Community's recommendations, according to BEUC.

For the European Commissioner for consumer affairs, Karel Van Miert, the European banks took a step in the right direction, when they drew up their code of good conduct. But he has pointed out that the code does not comply fully with the Community's recommendations. Their field of application is much broader than is the case as regards the code proposed by the banks, which makes far too many demands of cardholders.

As for retailers, they have completely ignored the Community's recommendations. This is especially disturbing, given the steady increase in the number of credit cards issued by retailers.

The European Commissioner reacted swiftly to the BEUC study. He undertook to submit quickly to the Commission a report on the implementation of the Community's recommendations. A more binding instrument than the 1988 recommendation (a directive or a regulation, for example) could be introduced to protect the interests of the Community's 320mn. consumers.

ENVIRONMENT: Greener industries

The 1990 European Better Environment awards for industry.

Industry in the developed countries has set itself a new target - to produce goods which are not only better but also greener. This development clearly is favoured by both consumers and the public in general in the 12-nation European Community; the latest polls put the environment at the very top of the public's current pre-occupations. To encourage European industry to do more to protect the environment, the European Commission launched its annual environment awards for industry in 1988. No fewer than 900 companies competed for these awards in 1990. Forty-eight of them were selected by the 12 national juries. Prizes were awarded to three of them by a European jury, which selected another six firms for special commendations in Paris on April 24.

At a time when the destruction of the ozone layer is making headlines, a French company, Claude Blaizat, won the prize in the Eco-product category for its CFC-free refrigeration system. Most experts are convinced that chlorofluorocarbons (CFCs), used extensively in household refrigerators, for example, are destroying the ozone layer, which protects us from the sun's harmful radiation.

Two products which were highly recommended were a turbocharged Diesel engine with a catalyst that reduces toxic emissions and a polypropylene net which replaces asbestos, a cancer-producing substance, as reinforcement for asbestos-based products. The first is made by Volkswagen, the second by the Italian company Retiflex.

The clean technology award was won by BP's French subsidiary. Its new process for the manufacture of polyethylene has led to a 96% reduction in hydrocarbon emissions and a 70% reduction in solid waste. Electricity consumption has been cut by 50% at the same time.

The good environment management prize went to Yamanouchi Ireland Ltd., which makes pharmaceutical products. The company's waste water treatment plant and incinerator are so efficient that emissions to the local sewers and air are very low.

The prizes were presented by the EC's environment commissioner, Carlo Ripa di Meana, who expressed the hope that it would not be too long before most European companies have adopted environment protection strategies.

FIGHT AGAINST FRAUD: The European Commission offers to help the Twelve ...

... by financing part of the checks during five years.

The European Commission is determined to do all it can to put an end to the fraud which is costing European Community taxpayers millions of ECUs at the very least each year. Because the large-scale Community subsidies to agriculture have encouraged fraud, the Commission has set its sights on this particular sector. After having entrusted an expert group in April with the task of proposing how to simplify the Community's agricultural legislation, the Commission offered in early May to finance some of the checks carried out by the Twelve.

The fact is that under the Community's agricultural regulations it is up to the national authorities to verify that Community subsidies have been paid only to those entitled to them. They are also responsible for punishing the guilty and recovering the sums improperly paid out.

The national authorities have recently begun to reinforce their checks, in the face of continued demands from the European Commission and its anti-fraud unit, on the one hand, and the European Parliament on the other. But the Commission has noted that there remain numerous "unjustified expenses" in the agricultural sector. Fraud appears increasingly intolerable in a Community which has imposed on itself strict budgetary discipline at both the European level and the level of each of the Member States.

To encourage the Twelve to keep a more effective watch on agricultural subsidies, and unearth those engaged in fraudulent activities, the Commission is now proposing to bear a part of the additional costs that are involved for a period of five years and for up to ECU 10mn.* a year. If the Twelve agree, the Community will meet 20% of the salaries of staff specially taken on for the purpose of carrying out checks and tracking down fraud. The Community will also meet one-third of the expenditure on training; purchase of equipment, including computers, and the recourse to private security firms and laboratories.

The aid which is being proposed concerns subsidies paid to exporters to compensate them for the difference between Community and world market prices as well as a range of support measures, such as set-aside schemes and aid to the wine, tobacco, fruit and vegetables and goatmeat sectors.

* 1 ECU = UK£0.74 or IR£0.76

AIR TRANSPORT: New airlines face a threat

The European Commission wants added powers to fight unfair competition.

The air transport market will be fully open to competition in 1993. Small airlines will then take to the air to try to compete against the real "mistresses of the skies", the major airlines.

The European Commission fears that these giants will resort to such practices as charging fares appreciably below their costs, in order to eliminate the newcomers. The major airlines could also be tempted to adjust their timetables for example, so as to schedule flights leaving just 15 minutes before and 15 minutes after a flight scheduled by a smaller newcomer.

To fight against such unfair practices, the Commission has asked the 12 Member States for more power. It wants the right to take interim measures suspending such practices, pending a final decision, which would be taken three months on average after an enquiry had been opened.

The financial stakes are high. It is essential, therefore, to be able to act rapidly, for the unhappy competitor might otherwise find that his wings have been clipped even before he has taken off.

PUBLICATIONS: The EC enters the world of comic books

"My country - Europe" is the first comic book dealing with the Community.

Why not use comic strips to present the European Community? It was on the basis of this simple idea that a recently established French company, C.D.G. Creations, launched its first comic book devoted to Europe. EC institutions helped finance the publication, written in French and entitled "Mon pays l'Europe". The great historic, cultural and political events in the life of the Community, as well as its inner workings, are seen through the eyes of five young Europeans who set out to make a video programme, at the end of the century, on the Europe of 1992.

"Mon pays l'Europe" is available from C.D.G. Creations, 6 rue de Tracy, 75002 Paris, at a price of 39 French francs (plus 10 francs for postage). The 48-page book will be available in German also.

SOCIETY: Household expenditure on accommodation in six EC countries in 1985

More than half the households were in accommodation they owned.

More than half the households in Germany, Spain, France, Italy, Ireland and the Netherlands were living in 1985 in accommodation they owned, according to a study by the European Community's statistical services. This was a slightly higher percentage than in 1979, when a similar study was made by the Statistical Office.

Home ownership was highest among the self-employed, especially farmers, 86% of whom owned their own homes. Ireland and Spain were in the lead, among the countries covered by the study, with nearly 80% of households living in accommodation they owned. The Netherlands and Germany were bottom of the list, with 44 and 43% respectively. France barely made the grade with 53%. In these three countries couples with children were home-owners in the majority, while the contrary situation prevailed in Ireland, Spain and Italy. Moreover, even if the proportion of home-owners was greater among those with high incomes for the six countries as a group, this factor was much less important for the last three countries.

Expenditure on accommodation ranged from 21% of total household expenditure in Ireland to 33% in the Netherlands. It was the major item of expenditure in not only the Netherlands but also Germany and France, whereas in the other three countries food was the major item. In relative terms, expenditure on housing as a percentage of total expenditure fell on average as the size of households increased.

For all six countries covered by the study there was an inverse relationship between the percentage of expenditure on accommodation and income. Expenditure on household equipment and income were directly related, however. Thus, the higher the household income, the lower the percentage of expenditure on housing, while expenditure on household equipment increased. Such expenditure was the largest element in the household budgets of single parent families in Italy and the Netherlands, and in the budgets of couples with one child in the four other Community countries.